UNITED
NATIONS

A E

General Assembly

Economic and Social Council

Distr.
GENERAL

A/45/274
E/1990/73
14 May 1990

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Forty-fifth session
Item 82 (f) of the preliminary list*
DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES

ECONOMIC AND SOCIAL COUNCIL
Second regular session of 1990
DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES

Energy exploration and development trends in developing countries

Report of the Secretary-General

SUMMARY

In paragraph 5 of its resolution 43/193 of 20 December 1988, the General Assembly requested the Secretary-General to continue to undertake appropriate studies and analyses of trends in energy exploration and development of energy resources in developing countries, and in paragraph 3 of the same resolution it requested the Secretary-General to outline a programme of action aimed at the acceleration of the exploration and development of the energy resources of developing countries.

The present report analyses trends in energy consumption and production in developing countries during the past two decades and focuses on prospects to the year 2010 with particular reference to the energy-deficient developing countries.

In view of expected continued growth in population and industrialization, economic growth in the developing countries will be accompanied by relatively high rates of increase in demand for energy. Exploration and development of indigenous energy resources, as well as their transformation into energy products, will require considerable investments, which can be met only by mobilization of financing from the national public and private sectors, promotion of direct

* A/45/50.

investments from transnational energy corporations, reactivation of lending from the world capital markets and expansion of bilateral and multilateral assistance programmes.

Since rural areas of the developing world have only limited access to modern energy technologies and supplies and since more than half of the people live in those areas, new initiatives will be necessary to augment traditional energy sources and improve their utilization through more efficient technologies, integrated energy strategies and integrated rural development programmes. This will require new political, social, economic and environmental policy orientations and assistance from both national and international sources.

Among the oil-importing developing countries, only about a quarter of them have some domestic oil production. The rest depend entirely on imports for their requirements. Higher oil prices caused considerable hardship to those countries before 1986. Since then, their oil import bills have again resumed an upward trend because of increases in demand and stagnation in the production of indigenous oil. While no comprehensive data is available, it is estimated that oil import bills have increased to $30 billion in 1989 as compared to $20 billion in 1986.

On the optimistic assumption of continued stability in oil prices to the year 2010, as well as a constant ratio of dependence on oil imports, oil import bills will rise to $80 billion (in constant 1989 United States dollars) per annum at the end of the period. However, under this assumption production of domestic oil will need to rise by 160 per cent. Unless the downward trend in exploration and development efforts is reversed, this is not likely to happen and, consequently, oil import bills will be even higher. The ability of these countries to finance such bills is doubtful, and economic growth may once again be stalled.

The report concludes with an outline of a programme of action whose purpose is to accelerate exploration and development of indigenous energy resources in the developing countries, focusing on measures and policies that are required at the national level. It also indicates the need for co-operation among the developing countries and the opportunities for bilateral and multilateral contributions.

CONTENTS

		Paragraphs	Page
I.	TRENDS AND PROSPECTS IN ENERGY CONSUMPTION	1 - 23	4
	A. Past trends	5 - 14	5
	B. Future trends and prospects	15 - 23	8
II.	TRENDS IN ENERGY EXPLORATION AND PRODUCTION	24 - 53	11
	A. Crude oil	30 - 42	12
	B. Natural gas	43 - 47	17
	C. Coal	48 - 49	17
	D. Electric power	50 - 53	18
III.	OUTLINE OF A PROGRAMME OF ACTION FOR THE ACCELERATION OF ENERGY EXPLORATION AND DEVELOPMENT IN DEVELOPING COUNTRIES	54 - 76	18

I. TRENDS AND PROSPECTS IN ENERGY CONSUMPTION

1. In the developing world, patterns of energy consumption reflect a variety of factors such as levels of economic development and structures of agriculture, industry and other sectors of the economy. The distribution of population between urban and rural areas is significant; urban areas are the centre of commercial energy consumption such as oil and gas, while rural areas depend mostly on traditional sources of energy such as biomass, fuelwood and have little access to centralized energy systems, including electricity. For that reason, statistics on energy consumption in developing countries need to be interpreted with caution because they often refer only to commercial sources and exclude traditional sources, the magnitude of which is difficult to quantify.

2. Nevertheless, developing countries show a number of similarities in energy consumption patterns. Despite higher rates of growth, levels of energy consumption remain very low. Per capita energy consumption in the developing countries is only 11 per cent of that in the developed market economies. In many countries in Africa and Latin America energy consumption is actually declining.

3. Scarcity of capital and modern energy technologies hamper the development of indigenous energy resources even when their potential is well known (e.g., hydropower). Those scarcities are even more important when exploring for indigenous sources such as oil and gas, the existence of which can only be surmised until more capital is devoted to their discovery and development. For those reasons, developing countries have remained dependent on foreign sources of capital, technologies and expertise for the exploration and development of their energy resources. Yet, several developing countries have been able to establish and strengthen national oil companies of considerable size with activities in all sectors of the oil and gas industries. In some cases these activities have extended to foreign countries as well. Similarly, in the electricity sector, public utilities have expanded programmes involving massive investments, often with financial assistance from bilateral and multilateral sources. However, only a handful of developing countries have been able to establish their own industries for the production of energy equipment and supplies.

4. The reason developing countries in general have failed to adjust to the higher energy prices of the past two decades is mainly that scarcities of capital and modern technologies are also basic constraints to energy efficiency and conservation. As a result, income elasticities of energy demand have remained much higher than in the developed market economies with the implication that the resumption of economic growth in the developing world is bound to be accompanied by considerable increases in energy consumption. Improved efficiency will be required on both the supply and the demand sides of the energy picture. In particular, the capital intensity of electrification programmes calls for rehabilitation of existing plants and the reduction of losses in transmission and distribution networks, which could save billions of dollars in additional investments. But more needs to be done with energy end-use equipment, including cooking stoves in rural and urban areas as well as automobiles, trucks, tractors, refrigerators, lighting and the like.

READEX FICHE

A. Past trends

5. As shown in table 1, consumption of commercial primary energy in the developing countries during the period 1974 to 1988 grew at 5.5 per cent per annum as compared to 3.1 per cent in Eastern Europe and the Union of Soviet Socialist Republics and 0.5 per cent in the developed market economies.

6. With a population of over 3,900 million, developing countries consumed 1,728 million tons of oil equivalent (toe) in 1988, about 25 per cent of the world total. Per capita consumption was only 443 kilograms of oil equivalent as compared to 4,330 kilograms in the developed market economies (see table 2).

7. Coal remains the most important commercial energy source in the developing world as a whole (see table 3). However, it is dominant only in China and India, which together account for half of the population in the developing countries and 80 per cent of coal consumption.

8. Oil is by far the most important energy source in other developing countries, accounting for 100 per cent of commercial energy consumption in 45 developing countries and territories. 1/ The average annual growth in oil consumption has been considerably higher in developing countries than in the developed market economies.

9. Increases in oil consumption were particularly high during the 1970s in the oil-exporting developing countries because of rapid economic growth based on high oil export revenues and low or subsidized prices of petroleum products for national consumption. After some deceleration in the annual growth during the period 1980-1985, increases in oil consumption in those countries since the oil price collapse of 1986 have been minimal. Oil export revenues and the growth of gross domestic product have stagnated and prices for petroleum products have been raised by increases in excise taxes.

10. In the oil-importing developing countries, oil consumption during the 1970s also grew at an annual rate of 6 per cent, but it decelerated to negative 0.7 per cent per annum during the period 1980-1985 owing to economic recession and higher energy prices. Since 1986, however, their oil consumption growth has again accelerated to 5.4 per cent per annum.

11. During the 1980s, overall oil consumption in the developed market economies has declined and 1988 levels were 4 per cent lower than in 1980. In Eastern Europe and the Soviet Union, consumption levels remained static. In the developing countries, however, oil consumption increased by 23.2 per cent. This was due to strong growth in aviation fuels and motor gasoline and a lack of alternatives for electricity generation (for example, nuclear power or coal) in many developing countries, which continued to rely on heavy fuel oil-fired power plants unlike the developed market economies where heavy fuel oil consumption was reduced by 47 per cent.

Table 1. Consumption of commercial primary energy a/

(Million tons of oil equivalent)

		1970	1980	1985	1986	1987	1988
Developed market economies	Oil	1 432.0	1 665.3	1 493.0	1 524.8	1 535.6	1 596.1
	Gas	659.6	765.2	741.8	711.4	740.0	748.9
	Coal	718.4	784.2	880.8	856.8	888.1	915.4
	Electricity	77.9	142.1	200.7	209.6	217.6	228.0
	Total	2 887.9	3 356.8	3 316.3	3 302.6	3 381.3	3 488.4
Eastern Europe and the USSR	Oil	271.1	465.7	437.0	447.3	457.9	466.4
	Gas	192.2	385.6	548.3	575.8	618.2	616.9
	Coal	518.1	589.2	600.3	615.5	619.1	663.9
	Electricity	12.1	25.0	38.2	38.1	41.7	45.4
	Total	993.5	1 465.5	1 623.8	1 676.7	1 736.9	1 792.6
All developing countries	Oil	267.1	554.5	611.5	629.9	646.5	683.2
	Gas	49.6	131.9	182.0	201.9	227.4	245.0
	Coal	270.5	463.2	644.7	680.2	710.6	729.8
	Electricity	16.8	42.4	60.5	63.4	66.5	69.6
	Total	604.0	1 192.0	1 498.7	1 575.4	1 651.0	1 727.6
Member countries of OPEC	Oil	37.6	110.6	150.0	148.3	146.3	152.4
	Gas	24.2	57.6	81.4	98.0	105.4	117.4
	Coal	1.0	1.6	2.6	3.4	4.1	3.7
	Electricity	0.8	2.4	3.6	3.8	4.0	4.1
	Total	63.6	172.2	237.6	253.5	259.8	277.6
Other oil-exporting countries	Oil	70.0	163.6	192.1	198.6	208.8	215.6
	Gas	16.8	50.0	59.6	58.8	63.2	64.9
	Coal	179.8	310.3	427.7	449.2	468.0	476.6
	Electricity	4.9	10.3	15.2	15.2	15.6	16.7
	Total	271.5	534.2	694.6	721.8	755.6	773.8
Oil-importing countries	Oil	159.5	280.3	269.4	283.0	291.4	315.2
	Gas	16.8	50.0	59.6	58.8	63.2	64.9
	Coal	179.8	310.3	427.7	449.2	468.0	476.6
	Electricity	4.9	10.3	15.2	15.2	15.6	16.7
	Total	271.5	534.2	694.6	721.8	755.6	773.8
Total world	Oil	1 970.2	2 685.5	2 541.5	2 602.0	2 640.0	2 745.7
	Gas	901.4	1 282.7	1 472.1	1 489.1	1 585.6	1 610.8
	Coal	1 507.0	1 836.6	2 125.8	2 152.5	2 217.8	2 309.1
	Electricity	106.8	209.5	299.4	311.1	325.8	343.0
	Total	4 485.4	6 014.3	6 438.8	6 554.7	6 769.2	7 008.6

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues.

a/ Data on oil consumption refer to "apparent consumption", which is an indication of actual gross inland availability. They do not include air and sea bunkers or non-energy products from refineries.

Table 2. Per capita consumption of commercial primary energy
(Kilograms per capita of oil equivalent)

	1970	1980	1985	1988
Developed market economies	4 107	4 408	4 225	4 330
Eastern Europe and the USSR	2 871	3 909	4 179	4 480
Developing countries	228	360	407	443
World total	1 213	1 351	1 327	1 371

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues; and Prospects of World Urbanization, 1988 (United Nations publication, Sales No. E.89.XIII.8).

Table 3. Composition of commercial primary energy consumption by source
(Percentage)

		1970	1980	1985	1986	1987	1988
Developed market economies	Oil	49.6	49.6	45.0	6.2	45.4	45.8
	Gas	22.8	22.8	22.4	21.5	21.9	21.5
	Coal	24.9	23.4	26.6	25.9	26.3	26.2
	Electricity	2.7	4.2	6.1	6.3	6.4	6.5
Eastern Europe and the USSR	Oil	27.3	31.8	26.9	26.7	26.4	26.0
	Gas	19.3	26.3	33.8	34.3	35.6	34.4
	Coal	52.1	40.2	37.0	36.7	35.6	37.0
	Electricity	1.2	1.7	2.4	2.3	2.4	2.5
All developing countries	Oil	44.2	46.5	40.8	40.0	39.2	39.5
	Gas	8.2	11.1	12.1	12.8	13.8	14.2
	Coal	44.8	38.9	43.0	43.2	43.0	42.2
	Electricity	2.8	3.6	4.0	4.0	4.0	4.0
Member countries of OPEC	Oil	59.1	64.2	63.1	58.5	56.3	54.9
	Gas	38.1	33.4	34.3	38.7	40.6	42.3
	Coal	1.6	0.9	1.1	1.3	1.6	1.3
	Electricity	1.3	1.4	1.5	1.5	1.5	1.5
Other oil-exporting countries	Oil	25.8	30.6	27.7	27.5	27.6	27.9
	Gas	6.2	9.4	8.6	8.1	8.4	8.4
	Coal	66.2	58.1	61.6	62.2	61.0	476.6
	Electricity	4.9	10.3	15.2	15.2	15.9	61.6
Oil-importing countries	Oil	59.3	57.7	47.6	47.2	45.8	46.6
	Gas	3.2	5.0	7.2	7.5	9.3	9.3
	Coal	33.4	31.2	37.8	37.9	37.5	36.9
	Electricity	4.1	6.1	7.4	7.4	7.4	7.2
Total world	Oil	43.9	44.7	39.5	39.7	39.0	39.2
	Gas	20.1	21.3	22.9	22.7	23.4	23.0
	Coal	33.6	30.5	33.0	32.8	32.8	32.9
	Electricity	33.6	30.5	33.0	32.8	32.8	32.9

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues.

12. Natural gas in 1988 accounted for 14 per cent of overall commercial energy demand in developing countries, as compared to 42 per cent in Eastern Europe and the Soviet Union and 22 per cent in the developed market economies. In the relatively mature markets of the member countries of the Organization of the Petroleum Exporting Countries (OPEC), the share was 42 per cent, whereas in the other oil-exporting and oil-importing developing countries it was only 8.4 and 9.3 per cent, respectively. Out of 112 oil-importing developing countries, natural gas consumption was registered in only 15 countries. 2/

13. The annual rate of growth in electricity consumption has been consistently strong even though in many developing countries shortages have caused serious damage to economic output 3/ and more than half of the population, mostly in rural areas, have no access to electricity at all.

14. In the developing countries, new and renewable sources of energy provide about 30 per cent of the total energy consumption, with Africa at 57 per cent, Latin America at 33 per cent and the Asia and the Pacific region at 22 per cent. In rural areas alone, the contribution of new and renwable sources of energy is much higher (see A/AC.218/15).

B. Future trends and prospects

15. The amount of energy required to produce a given unit of economic output (measured in barrels of oil equivalent used per $1,000 of real GDP) is an indication of the intensity of energy use. Trends of energy intensity reflect the level of economic development, the structure of the economy, existing technologies and the energy mix.

16. Long-term analysis of the relationship between energy demand and economic growth in all countries leads to the following conclusions: at a lower level of economic development, the amount of energy used to produce each unit of output is generally low and tends to rise as the economy heads towards industrialization. However, at an advanced stage of industrialization, there is a tendency for growth in energy intensity to slow down as more energy efficient technology becomes available.

17. As shown in table 4, trends of energy intensity in all regions conform to this pattern. Between 1970 and 1987, energy intensity in the developed market economies declined by 28 per cent from 3.68 barrels of oil equivalent per $1,000 of real GDP (boe/$1,000) to 2.65 boe/$1,000. Similarly, in Eastern Europe and the Soviet Union it dropped from 10.02 to 8.39 boe/$1,000 during the same period. However, in the developing countries it increased from 3 boe/$1,000 in 1970 to 3.88 boe/$1,000 in 1987.

Table 4. Energy intensity

(Barrels of oil equivalent per $1,000 GDP)

	1970	1980	1985	1986	1987
Developed market economies	3.68	3.15	2.76	2.68	2.65
Eastern Europe and the USSR	10.02	8.95	8.40	8.32	8.39
All developing countries	2.99	3.47	3.79	3.85	3.88
Member countries of OPEC	1.31	1.95	2.80	3.09	3.09
Other oil-exporting countries	5.14	6.02	5.78	5.78	5.78
Oil-importing countries	2.57	2.87	2.89	2.89	2.93
World	4.13	3.82	3.60	3.55	3.55

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues; and National Accounts Database of the United Nations Statistical Office.

18. Forecasting world energy consumption, particularly over the longer term, is fraught with uncertainties. There is a wide range of opinion on future trends of energy consumption depending on different assumptions on a number of factors, including the rate of economic growth, oil price levels, improvement in energy efficiency and attitudes towards nuclear power and other environmental considerations. But there is a crucial need to discuss policy and strategy issues and map out in advance alternative courses in order to avert potential crises at both the national and international levels.

19. The projections of energy demand made in this report are subject to great uncertainties. They are intended to provide a plausible global framework of possible developments of energy trends in which to consider strategies as those developments affect developing countries.

20. Table 5 shows the baseline scenario of energy demand by fuel type to the year 2010 as derived from assumptions of constant energy prices in real terms, different rates of economic growth in the various groups of countries and past trends characterizing energy/economy links. 4/

21. World energy consumption is expected to grow by about 80 per cent during the period 1988-2010, at an average annual rate of 2.8 per cent. The developing world accounts for half of that increase. As a result, its share of world energy consumption would increase to 35 per cent by the year 2010 as compared to 25 per cent in 1988.

Table 5. Estimated future consumption of commercial primary energy

(Million tons of oil equivalent)

		1988	1995	2000	2010	Annual growth (Percentage)
Developed market economies	Oil	1 596	1 653	1 775	2 048	1.2
	Gas	749	857	923	1 070	1.6
	Coal	915	995	1 086	1 294	1.8
	Electricity	228	354	451	686	5.2
	Total	3 488	3 859	4 235	5 098	1.8
Eastern Europe and the USSR	Oil	466	558	654	603	3.0
	Gas	617	833	941	1 188	2.9
	Coal	664	705	765	899	1.6
	Electricity	45	58	114	273	8.5
	Total	1 793	2 154	2 474	2 963	2.8
All developing countries	Oil	683	899	1 124	1 759	4.4
	Gas	245	342	427	678	4.8
	Coal	730	966	1 163	1 686	3.8
	Electricity	70	140	197	353	7.5
	Total	1 728	2 347	2 910	4 476	4.4
Member countries of OPEC	Oil	152	193	237	357	4.0
	Gas	117	155	177	231	3.1
	Coal	4	6	7	10	4.3
	Electricity	4	17	20	18	7.0
	Total	278	370	441	615	3.7
Other oil-exporting countries	Oil	216	291	356	536	4.2
	Gas	65	92	116	186	4.9
	Coal	477	629	751	1 072	3.8
	Electricity	17	33	50	103	8.5
	Total	774	1 044	1 274	1 897	4.2
Oil-importing countries	Oil	315	416	531	867	4.7
	Gas	63	96	134	261	6.7
	Coal	250	331	404	604	4.1
	Electricity	49	90	126	233	7.3
	Total	676	933	1 196	1 964	5.0
Total world	Oil	2 746	3 110	3 553	4 410	2.5
	Gas	1 611	2 032	2 291	2 936	2.7
	Coal	2 309	2 666	3 014	3 879	2.5
	Electricity	343	552	762	1 312	6.3
	Total	7 009	8 360	9 619	12 537	2.8

Source: Department of International Economic and Social Affairs of the United Nations Secretariat.

22. Annual growth rates of consumption of oil, gas and coal in developing countries are estimated at between 3.8 and 4.8 per cent. Primary electricity growth, however, would be much higher, at 7.5 per cent per annum.

23. Oil will continue to dominate commercial energy consumption in the developing world. Coal will retain its overall position and it will be of great importance, especially in China and India. Natural gas, although registering a faster growth rate than either oil or coal, will strengthen its position as the third most important fuel but will be more widely used. With limited nuclear power expansion, the growth in primary electricity consumption will consist mostly of hydropower.

II. TRENDS IN ENERGY EXPLORATION AND PRODUCTION

24. Perceptions have changed since the previous report of the Secretary-General (A/43/476 and Corr.1), in which energy exploration and development trends in crude oil, natural gas, coal, primary electricity and new and renewable sources of energy were analysed on the basis of data for the first half of the 1980s, including the immediate consequences of the oil price collapse and the Chernobyl nuclear accident of 1986.

25. It was emphasized in that report that lower oil prices had led to a world-wide slump in investments in petroleum exploration and development because of lower profit expectations and a drastic reduction in the cashflows of private oil corporations and national petroleum companies. The indebtedness of many developing countries had accentuated that problem since the drop in direct foreign investments had been accompanied by the closing of doors to world capital markets.

26. Investments were further reduced by the financial failure of hundreds of independent oil corporations that had grown and prospered during the 1970s and the first half of the 1980s in North America, the North Sea and elsewhere because of the high oil prices and profitability prevailing then. The reserves and other assets of such corporations were purchased by the major oil and other financially secure corporations, which, in turn, have undertaken a series of mergers and consolidations, as well as a general withdrawal from non-energy business and a reduction of activities aimed at the development of alternative energy sources such as coal, nuclear power, and new and renewable sources of energy.

27. In the past two years, continued increases in energy demand, particularly in oil, have rapidly closed the gap between available production capacities and requirements. Nevertheless, there has been no significant revival of investments in the main oil-producing areas. As a result, oil production has dropped significantly in the United States, with expectations of further declines in that country as well as in Canada and the United Kingdom sector of the North Sea.

28. Under those circumstances, an increase in demand of OPEC oil of 37 per cent in the second half of the 1980s has already led to an urgent need for new investments in production capacities in order to avoid possible shortages and upward pressures on prices. 5/

29. Prospects for limited energy capacities are not confined to crude oil production. They extend to oil transportation facilities and even to refineries in certain regions. In the field of electric power generation, increasing environmental concerns and uncertainties have led to closures and postponements of plans for new capacities, particularly those based on nuclear power.

A. Crude oil

30. As shown in table 6, crude oil production has increased by 6.54 million barrels per day (mbd) or 12.3 per cent during the period 1985-1989. Over 90 per cent or 6.0 mbd of this was due to expanded output from OPEC. Other oil-exporting developing countries increased their production by 1.1 mbd. During the same period, there was hardly any increase in the oil-importing developing countries or in Eastern Europe and the Soviet Union, while in the member countries of the Organisation for Economic Co-operation and Development (OECD), oil production dropped by 0.92 mbd or 6.4 per cent.

31. Among the OPEC countries, the largest increases were accounted for by the Middle East producers, especially Iraq, Kuwait, Saudi Arabia and the United Arab Emirates. In view of the magnitude of the proved reserves in these countries, much of the incremental demand for OPEC oil is expected to be supplied from the Middle East, with small additional contributions from Nigeria and Venezuela (see table 7).

32. In other oil-exporting developing countries, the rapid expansion of oil production during the first half of the 1980s decelerated significantly in the second half, mainly because of slowdowns in China and Mexico, the biggest producers in this group.

33. The proved reserves of the non-OPEC oil-exporting developing countries are limited except in Mexico, and production levels in the near future are not expected to change substantially even though new discoveries have recently been made in a few countries such as Yemen and the Syrian Arab Republic. More importantly, the rapid growth in domestic oil consumption in many of these countries is expected to result in lower exports.

34. After oil production in the oil-importing developing countries increased by 75 per cent in the first half of the 1980s, reaching a level of 1.9 mbd in 1985, mainly because of sizeable increases in Brazil and India, it levelled off in the second half of the decade despite promising discoveries in Pakistan, Democratic Yemen and Viet Nam. With very limited proved oil reserves and substantial slowdowns in exploration and development in oil-importing developing countries, further improvements are threatened since investments have been severely cut back because of budget constraints and foreign debt problems. Furthermore, rapidly increasing domestic demand for oil will result in higher oil import bills, which may become more oppressive with gradually rising oil prices.

Table 6. World production of oil, gas and coal

(Oil: Million barrels per day)

(Gas: Million cubic metres per day)

(Coal: Thousand metric tons per day)

		1970	1980	1985	1986	1987	1988	1989
Developed market economies	Oil	11.2	12.6	14.4	14.3	14.2	14.2	13.4
	Gas	2 185.5	2 320.8	2 135.1	2 063.9	2 151.5	2 241.2	2 307.7
	Coal	2 699.6	3 173.4	3 569.3	3 645.4	3 719.2	3 725.4	n.a.
Eastern Europe and the USSR	Oil	7.4	12.4	12.2	12.6	12.8	12.9	12.5
	Gas	627.9	1 346.5	1 902.8	2 022.9	2 152.3	2 255.5	2 361.2
	Coal	1 679.5	1 988.3	1 983.0	2 032.5	2 052.5	2 270.8	n.a.
All developing countries	Oil	26.8	34.5	26.6	29.1	28.8	31.1	33.8
	Gas	165.6	481.8	631.5	648.7	805.4	972.9	1 098.0
	Coal	1 327.6	2 178.5	3 105.0	3 216.9	3 360.1	3 438.8	n.a.
Member countries of OPEC	Oil	23.3	26.7	16.1	18.4	17.6	19.7	22.1
	Gas	74.2	229.4	275.8	331.0	427.6	498.7	626.2
	Coal	2.2	3.9	9.3	11.1	9.2	11.5	n.a.
Other oil-exporting countries	Oil	2.7	6.7	8.6	8.8	9.3	9.5	9.7
	Gas	52.8	181.8	233.9	187.7	230.2	292.9	286.8
	Coal	984.9	1 666.1	2 441.9	2 507.6	2 613.6	2 665.7	n.a.
Oil-importing countries	Oil	0.9	1.1	1.9	2.0	1.9	1.9	2.0
	Gas	38.6	70.6	121.8	130.1	147.6	181.3	185.1
	Coal	340.5	506.5	653.9	698.2	737.4	761.6	n.a.
Total world	Oil	45.5	59.4	53.2	56.0	55.8	58.1	59.7
	Gas	2 979.0	4 149.1	4 669.4	4 735.5	5 109.1	5 469.6	5 766.9
	Coal	5 706.7	7 340.3	8 657.2	8 894.8	9 131.8	9 435.0	n.a.

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues; and Oil and Gas Journal, 13 March 1989 and 19 March 1990.

n.a. = not available.

Table 7. World estimated proved oil, gas and coal reserves

(Oil: Billion barrels)

(Gas: Trillion cubic feet)

(Coal: Billion tons)

		1980	1985	1989
Developed market economies	Oil	58.8	60.1	52.2
	Gas	451.5	520.4	504.5
	Coal	n.a.	n.a.	226.7 a/
Eastern Europe and the USSR	Oil	70.0	65.0	60.1
	Gas	910.0	1 466.5	1 528.0
	Coal	n.a.	n.a.	240.0 a/
Developing countries	Oil	512.5	572.9	888.8
	Gas	1 188.4	1 270.5	1 970.3
	Coal	n.a.	n.a.	113.7 a/
OPEC member countries	Oil	435.6	476.3	767.1
	Gas	974.3	975.2	1 620.2
Other oil-exporting countries	Oil	69.9	86.9	104.6
	Gas	153.1	218.0	240.7
Oil-importing countries	Oil	7.0	9.8	17.1
	Gas	61.0	77.3	109.4
World total	Oil	641.3	698.1	1 001.1
	Gas	2 549.9	3 257.4	4 002.8
		n.a.	n.a.	580.4

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on Oil and Gas Journal, various issues; and International Energy Agency, Coal Information 1988 (Paris, 1988), P. I. 82.

a/ Proved accessible coal reserves at end-1988; includes bituminous and anthracite, sub-bituminous coal, brown coal, lignite.

35. Of the 112 developing countries and territories that are currently importers of oil, only 22 produce some of their requirements from indigenous oil resources. The remaining countries have no domestic oil production at all. Moreover, 90 per cent of the oil produced in those countries as a whole came from Argentina, Brazil and India. Smaller producers (for example, Democratic Yemen, Chile, Pakistan, Thailand, Turkey) accounted for the remaining 10 per cent.

36. Exploration activities intensified world wide during the late 1970s and early 1980s, but in spite of the higher exploration success ratio, particularly in the developing countries, they began to subside after 1982, following the decline in oil prices. State-owned national oil companies in developing countries played a major role in the upsurge of exploratory drilling. Nearly 50 per cent of the exploratory wells were drilled by national oil firms and the other 50 per cent by international, independent and state-owned foreign oil companies.

37. The period following the oil price collapse in 1986 has exacerbated the situation and resulted in a precipitous decline in investments for exploration and development world wide. However, this reflects not only the impact of lower oil prices but also the adverse effect of other factors, including reduced investment capabilities of many national oil companies, cutbacks of international bank lending, and more stringent conditions for bilateral and multilateral loans.

38. Data on oil exploration and development indicate that drilling activities are still heavily concentrated in mature oil-producing countries and suggest that there is a strong correlation between drilling activity, economic growth and indebtedness. For example, there is an upward trend in drilling activity in India, Malaysia and Thailand, but a downward trend in Argentina, Brazil, Colombia, Peru, Trinidad and Tobago, and Venezuela.

39. A breakdown of oil exploration and development activities in developing countries is shown in table 8. The number of exploratory and development wells fell in all groups of developing countries during the period 1986 to 1988 as compared to the period 1983 to 1985, but more so in OPEC member countries where exploratory drilling dropped by over 40 per cent and development drilling by 44 per cent.

40. In other oil-exporting developing countries, exploratory drilling declined by 8.7 per cent and development drilling by 25.7 per cent.

41. In the oil-importing developing countries, the number of exploratory wells fell by 15.6 per cent and development wells increased by 3.2 per cent. However, more than 97 per cent of exploration and development activities in the oil-importing developing countries has taken place in those countries with some oil production, especially in Argentina, Brazil, India, Pakistan, Thailand, Turkey and Yugoslavia.

42. Exploration activities in the non-oil producing developing countries continued to be low. In 80 other non-oil producing developing countries and territories no exploration activities had been carried out at all.

Table 8. Exploration and development indicators in developing countries (1983-1988)

	Seismic activity (line-km)		Percentage change	Exploratory drilling (no.)		Percentage change	Development drilling (no.)		Percentage change
	1983-1985	1986-1988		1988-1985	1986-1988		1983-1985	1986-1988	
Developing countries	1 324 418	1 497 124	+ 13.0	4 766	3 784	- 20.6	15 242	12 346	- 19.0
OPEC member countries	346 663	291 684	- 15.9	1 286	767	- 40.4	4 833	2 709	- 43.9
Non-OPEC oil-exporting countries	360 357	367 291	+ 1.9	1 156	1 056	- 8.7	3 827	2 843	- 25.7
Oil-importing countries	617 398	838 149	+ 35.8	2 324	1 961	- 15.6	6 582	6 794	+ 3.2
Oil-producing countries	509 117	742 937	+ 45.9	2 234	1 907	- 14.6	6 565	6 770	+ 3.1
Non-oil producing countries	108 281	95 212	- 12.1	90	54	- 40.0	17	24	+ 41.2

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on Petroconsultants (United Kingdom) Ltd., World Petroleum Trends, various issues.

B. Natural gas

43. The position of the developing countries with regard to gas is not as strong as in oil, although they possess almost half of the world's proved reserves. It is also believed that vast resources remain to be discovered. In the past, exploration avoided gas-prone areas in those areas since geological success could rarely be followed by commercialization given the absence of markets, and the high costs of the infrastructure restrained the development of this versatile fuel.

44. Where conditions were favourable, as in North America, western Europe and the Soviet Union, massive natural gas networks have been established for household consumption, production of petrochemicals and fertilizers and, increasingly, for electricity generation.

45. Advances in the manufacture of large diameter pipes and the construction of continental and intercontinental pipelines have facilitated the transport of natural gas to distant markets. The past 25 years have also seen the rise of extensive trade in liquefied natural gas (LNG), which requires investments in processing plants at the source, specialized LNG carriers for transportation at sea and regassification facilities in importing countries.

46. Growing demand for natural gas in the developed market economies has led to exports of LNG from Algeria to western and southern Europe and from Brunei Darussalam, Indonesia and Malaysia to Japan. Similar projects are planned from other developing countries (for example, Nigeria, Qatar, Trinidad and Tobago and Venezuela) for exports to the same regions as well as to the United States.

47. In the developing countries themselves, there has been considerable increase in gas production. In addition to OPEC countries, natural gas networks of considerable size have grown in Argentina, India and Pakistan and several other developing countries have similar plans. In several cases, gas is being promoted as a substitute for oil in order to augment oil export capacities (for example, in Egypt, the Syrian Arab Republic, Indonesia and Nigeria).

C. Coal

48. Coal reserves are less widely spread in the developing countries than other primary energy resources. Most reserves are found in China and India and in a few other developing countries such as Botswana, Colombia, Indonesia, Venezuela and Zimbabwe. In all they possess only 20 per cent of the world total. Many other deposits are of low quality, often situated in inhospitable areas and far away from markets.

49. In China and in India, coal production has doubled in the past 20 years and is expected to expand considerably in the future. More modest increases in production are expected in a few other developing countries. However, expectations of sizeable imports of coal into developing countries for electric power generation, with some exceptions (for example, Republic of Korea, Taiwan Province of China), have not materialized mainly because of lack of infrastructures.

D. Electric power

50. The role of electricity has been increasing throughout the world, reflecting its versatility in uses in many economic sectors. During the period 1970-1988, electricity production in the developing countries increased by 350 per cent. Thermal sources accounted for 65 per cent of electricity production in 1988, hydropower 32 per cent, nuclear 2.5 per cent and geothermal 0.3 per cent. 6/ Because of indigenous reserves, coal-fired plants are particularly significant in China and India as well as in a few other developing countries.

51. Most of the developing countries, however, depend on oil, often imported, and on indigenous gas and hydropower for their electric power generation.

52. Developing countries accounted for 49 per cent of incremental electricity production in the world based on hydropower during the period 1970-1988. Still, only a small part of the hydropower potential of the developing countries has been exploited because of lack of markets and a variety of other factors, including the lack of capital and regional co-operation. As estimated by the World Energy Conference, 7/ the hydropower potential is vast. At 10.8 billion barrels of oil equivalent, it accounts for about 54 per cent of the world total and is almost equal to all the oil production in the developing world in 1988.

53. As of the end of 1989, nuclear power plants were in operation in seven developing countries (Argentina (two), Brazil (one), India (seven), Republic of Korea (nine), Mexico (one), Pakistan (one), Yugoslavia (one) and Taiwan Province of China (six)). New plants were under construction in Argentina (one), Brazil (one), China (three), Cuba (two), India (seven), Iran, Islamic Republic of (two), Republic of Korea (two) and Mexico (one). 8/

III. OUTLINE OF A PROGRAMME OF ACTION FOR THE ACCELERATION OF ENERGY EXPLORATION AND DEVELOPMENT IN DEVELOPING COUNTRIES

54. The following suggestions for an outline of a programme of action aimed at the acceleration of energy exploration and development in the developing countries, as requested by the General Assembly in its resolution 43/193, are based on the reports already submitted, 9/ and the update included in the present report. They have a time horizon of 20 years since energy projects require considerable leadtimes, including the time required to find and develop oilfields or construct new electric power plants on the supply side and, similarly, the years required for the spread of efficient technologies in energy end-uses (e.g. automobiles, cookstoves) on the demand side.

55. In view of the existing differences among countries in the developing world with regard to levels of economic and social development and to energy resources endowment, priorities for further action need to be established at the national level. However, such priorities may be modified to take into account new understandings and agreements that may be reached at the intergovernmental level in view of the growing environmental concerns, which often transcend national boundaries.

56. An extrapolation of trends during the past 20 years, which assumes no fundamental restructuring of the world economy, shows that per capita income and energy consumption in the developing countries, which are low now, will be completely inadequate by the year 2010. Per capita energy consumption in the developing countries will remain at about 13 per cent of that in the developed market economies.

57. For a variety of technical and economic reasons, only about a quarter of the oil in place in developing countries is in fact produced. The application of modern methods and techniques in enhanced oil recovery, including the newly developed technique of horizontal drilling, could improve recovery factors considerably. Recent examples of the application of those techniques in some developing countries are encouraging but their full application will probably require new arrangements between host Governments and transnational oil corporations as well as expanded co-operation between producing and consuming countries. With the rapidly closing gap between existing oil production capacities and the demand for oil from oil-exporting developing countries, similar co-operation may be required to expand capacities through the provision of capital and expertise, particularly with regard to security of investments and markets. Special consideration and novel arrangements involving bilateral and multilateral sources of assistance may be necessary for the same purpose in oil-importing developing countries.

58. There is much uncertainty as to the magnitude and geographic distribution of potential oil resources. On the basis of past exploration experience, expert geologists believe that much of the potential is to be found in the developing countries, mostly in OPEC and other oil-exporting developing countries, but also in areas, both onshore and offshore, in the oil-importing developing countries where exploration efforts have so far been inadequate.

59. Exploration technologies have been advancing at a fast rate in recent years, including three-dimensional seismic surveys and the intensive application of computers for the gathering and interpretation of massive quantities of data. New exploration theories, including geochemical and other surveys, are more extensively applied. Oil discoveries have thus been made where prior technologies and theories had failed.

60. The search for oil is a dynamic process that requires the training and retraining of personnel and the application of new technologies. It requires a long-term commitment of risk capital. In other words, it requires resources that are scarce in the developing world. Yet, scarcity and risk pertain to other economic activities as well and appropriate choices are required. Furthermore, oil exploration is done in steps with pre-drilling surveys being the least costly. Only when probabilities of discovery are high, do drilling funds need to be committed.

61. Geological departments in the developing countries have the task of evaluating the potential resources in their respective countries. They need to be supported and strengthened. Similarly, national oil companies have been set up in most of

the developing countries, in many cases with the task of exploring indigenous oil resources. In a number of cases they have been successful, sometimes spectacularly so. Recent criticism as to their efficiency refers more to the problems of management of public enterprises and inappropriate interference of Governments, than to the nature of the institutions themselves. They should be reformed and enabled to carry out their objectives either alone or in association with private sector domestic and foreign oil companies on the basis of priorities established at the national level.

62. In recent years, many developing countries have revised the terms and conditions of petroleum laws and agreements for long-term exploration and development in order to attract more foreign capital through direct investments. Generally, the response has been positive but its magnitude has not been commensurate with the needs of the developing world, particularly in the oil-importing developing countries. The reasons are complex and relate to the perceptions of potential investors of political stability, as well as geologic prospectivity in the context of the international oil market, oil price volatility as well as competitive opportunities in the developed market economies and, more recently, in Eastern Europe and the Soviet Union.

63. Developing countries wishing to attract foreign capital will have to continue a close monitoring of terms and conditions elsewhere in order to compete effectively by introducing much more flexibility and effective administration. In this context, jurisdictional disputes among States in promising areas, which have hampered exploration, should be resolved through negotiation on the basis of successful agreements elsewhere.

64. Pricing policies for crude oil produced indigenously in oil-importing developing countries are often a crucial issue if, as is often the case, that oil is required for national consumption. Its price level should be competitive in order to attract capital investment, whether local or foreign.

65. Financing of oil exploration and development, apart from foreign capital, has been obtained through budgetary allocations. In some cases more permanent financing has been derived from special funds set up with part of the excise taxes on petroleum products allocated for this purpose. A more wide-spread use of such financing mechanisms should be explored further.

66. National geological surveys and oil companies need to expand and intensify their evaluation of oil potential and exploration, particularly in oil-importing developing countries, in order to identify projects for investments. In the past they have received valuable assitance from bilateral and multilateral sources and from the United Nations system for this purpose. In addition, technical co-operation among developing countries has expanded considerably. All these programmes should be encouraged to continue and to increase their activities. Programmes such as those of Petro-Canada International Assistance Corporation 10/ and Japan National Oil Corporation, 11/ which have been providing assistance on a grant basis, could be emulated by other donor countries. The assistance programme for energy exploration and development in 12 Latin American and Caribbean

countries, through favourable oil prices and loans provided by the joint San Jose Accord of Mexico and Venezuela, 12/ could be emulated in other regions in the developing world, with particular focus on the least developed countries. The United Nations Revolving Fund for Natural Resources Exploration could be requested to examine the feasibility of carrying out geological and geophysical surveys in developing countries.

67. Since natural gas is often produced in association with oil from the same reservoirs much of what has been suggested above applies to this fuel as well. However, natural gas development is particularly capital intensive and more bilateral and multilateral financial assistance will be required for projects aimed at domestic consumption and exports. The World Bank, the International Development Association and the International Finance Corporation have an important role in this regard.

68. Recently, exploration and development agreements have been revised in some developing countries by the introduction of natural gas clauses in order to encourage investments by foreign oil companies with positive results. 13/ More effort in this direction is required.

69. With higher oil prices and surplus capacities in coal-exporting countries, the competitive position of coal for electric power generation in developing countries may improve considerably, which will require large capital investments. Recent examples of B.O.T (build-operate-transfer) schemes, by which exporters of coal and electric power plant contractors from developed countries supply the necessary finance in exchange for operating the plant until investments are recovered and then transferred it to the host country, require further consideration. Because of environmental problems associated with the use of coal, modern clean-up technologies at all levels of mining, transport and utilization should also be considered.

70. Rapid increases in demand for electricity in developing countries will require massive investments for new capacities. In the past, the financing of such investments received priority because Governments promoted the expansion of the use of electricity both as a contributor to economic development and as a direct means of raising living standards. Both bilateral and multilateral sources of financial assistance were active in this sector and world capital markets provided considerable loans.

71. Electricity tariffs in many developing countries have not been high enough to generate sufficient capital to add adequate new capacities. Attempts in some countries to raise them in recent years, during a period of recession, have led to political tensions.

72. Future policies should aim at an increase in the efficiency of electric power generation through the rehabilitation of existing plants and reductions in transmission and distribution losses, which are often double those in other countries. Similarly, studies performed by some developing countries have shown that electric power consumption could be reduced by as much as 30 per cent through

rigorous conservation and efficiency improvement in end-use devices. Programmes aimed at the attainment of this objective should be promoted.

73. Electricity tariffs could be adjusted more easily during periods of economic growth with the aim of enabling public utilities to become more self-sufficient in their financing needs for additional capacity. In this context, special consideration may be given to expanded rural electrification programmes as a means of more equitable distribution of income and promoting more balanced economic and social development. At the same time, bilateral and multilateral sources of financial assistance should expand their activities, perhaps in the context of global environmental considerations. In this respect, special consideration may be given to the financing of the development of the vast hydropower potential of the developing countries. Large hydropower sites may be developed and interconnected through regional and inter-regional co-operation to meet the increasing demand for electricity in the developing countries and for export to developed market economies. Small hydropower sites could be developed for local and rural areas.

74. In the area of new and renewable sources of energy, in addition to hydropower, new and improved energy technologies should be applied after careful consideration of their competitiveness, particularly in rural areas. Developing countries will require assistance in establishing and strengthening applied research and development centres in that field. Because of considerable advances in some areas by a few developing countries, co-operation with other developing countries could be encouraged and promoted. Similarly, private sector involvement could be appropriate in a variety of new and renewable sources of energy.

75. Efficiency and conservation in the production of energy should also be accompanied by similar programmes in energy end-uses through appropriate pricing policies and fiscal measures and through public education campaigns. In this regard, much more information on energy balances is required, and national surveys should be promoted, where necessary with assistance from bilateral and multilateral sources.

76. The principal elements of the suggestions for a programme of action for the acceleration of energy exploration and development in developing countries are summarized below:

(a) Oil and gas:

(i) Improving oil production rates of producing reserves through the application of secondary and enhanced recovery methods and techniques; conservation of associated gas through reinjection;

(ii) Encouraging oil and gas exploration and development through provision of risk capital; application of modern technologies; revisions of petroleum laws and terms and conditions of exploration and development agreements, including the introduction of natural gas clauses in such laws and agreements; institutional reform and strengthening of national geological surveys and national oil and gas companies; oil and natural gas pricing

policies; consideration of special petroleum exploration and development funds with financing from excise taxes on petroleum products; evaluation of potential oil and gas resources in order to attract additional investments with assistance from the United Nations system, bilateral and multilateral sources;

(b) Coal:

(i) Application of improved methods and technologies in mining, transportation and utilization;

(ii) Promotion of modern clean-up technologies to minimize adverse environmental effects;

(c) Electricity:

(i) Improving electric power generation efficiency;

(ii) Promoting reductions in transmission and distribution losses;

(iii) Adjusting electricity tariffs to provide for financing of additional electricity capacities;

(iv) Promoting the accelerated development of hydropower resources in the context of global environmental concerns;

(v) Application of special measures for the expansion of rural electrification programmes;

(d) New and renewable sources of energy: promotion of mature technologies in new and renewable sources of energy, with particular consideration of rural areas, including special measures in the context of global environmental concerns; 14/

(e) Efficiency in energy end-uses: adoption of policies and measures, including education campaigns for the promotion of efficiency in energy end-uses.

Notes

1/ Antigua and Barbuda, Aruba, Bahamas, Belize, Bermuda, British Virgin Islands, Burkina Faso, Cape Verde, Cayman Islands, Chad, Comoros, Cook Islands, Democratic Yemen, Djibouti, Equatorial Guinea, French Guiana, Gambia, Greenland, Grenada, Guadeloupe, Guam, Guinea-Bissau, Guyana, Kiribati, Maldives, Martinique, Montserrat, Nauru, Netherlands Antilles, Niue, St. Helena and dependents, Saint Kitts and Nevis, Saint Lucia, Saint Pierre and Miquelon, Senegal, Seychelles, Sierra Leone, Solomon Islands, Somalia, Tonga, United States Virgin Islands, Vanuatu, Wake Island, Western Sahara and Yemen.

2/ Afghanistan, Argentina, Bangladesh, Barbados, Brazil, Chile, Cuba, India, Republic of Korea, Morocco, Myanmar, Pakistan, Rwanda, Thailand and Turkey.

Notes (continued)

3/ World Economic Survey 1989 (United Nations publication, Sales No. E.89.II.C.1), p. 105.

4/ In the baseline scenario, crude oil prices (in constant 1989 United States dollars) are assumed to remain constant at $18 per barrel throughout the projection period. The annual rate of economic growth is estimated to average 3.1 per cent for the developed market economies, 3.1 per cent for Eastern Europe and the Soviet Union, 4.2 per cent for OPEC member countries, 3.9 per cent for other oil-exporting developing countries and 4.7 per cent for the oil-importing developing countries.

5/ United Nations, World Economic Survey 1990, chap. V.

6/ United Nations, Energy Statistics Yearbook, various issues.

7/ World Energy Conference, 1989 Survey of Energy Resources.

8/ International Atomic Energy Agency, Press Release, PR 90/7, 18 April 1990.

9/ See E/1983/91, A/38/512, A/39/420 and Corr.1, A/40/511 and Corr.1, A/40/637, A/41/383-E/1986/101, and A/43/476 and Corr.1.

10/ PCIAC was established in 1981 by the Canadian Government as a subsidiary of Petro-Canada, the national oil company, in order to undertake exploration, drilling and training programmes to help developing countries to identify and exploit their oil and gas resources in order to reduce their dependence on imported hydrocarbons and to stimulate private sector involvement in the commercial exploitation of these non-renewable resources. The Parliamentary appropriation of C$67.4 million in 1987/88 was spent on exploratory drilling (39.6 per cent), seismic surveys (34.6 per cent), technical assistance (22.4 per cent) and efficiency enhancement projects (3.4 per cent) in 30 countries and territories.

11/ JNOC was established in 1967 in order to assist Japanese companies to explore and develop oil and gas both in Japan and abroad. Since 1980, JNOC has undertaken geological and geophysical surveys in nine developing countries at an annual cost of about $20 million.

12/ Mexico and Venezuela have been co-partners since 1980 in the Acuerdo de San Jose (San Jose Accord), under which the two countries supply oil to Central American and Caribbean countries for their national consumption at 70 per cent of the world price, with the remaining 30 per cent left as a loan at a favourable rate of interest. This 30 per cent carries an even more favourable rate of interest if it is used for the development of indigenous energy resources in the receiving country.

Notes (continued)

13/ United Nations Centre on Transnational Corporations Advisory Studies, Series B, No. 1, Natural Gas Clauses in Petroleum Agreements, (United Nations publication, Sales No. E.87.II.A.3).

14/ New and renewable sources of energy are fully covered in the Nairobi Programme of Action for the Development and Utilization of New and Renewable Sources of Energy. See Report of the United Nations Conference on New and Renewable Sources of Energy, Nairobi, 10-21 August 1981 (United Nations publication, Sales No. E.81.I.24), chap. I, sect. A.

UNITED NATIONS

A E

General Assembly

Economic and Social Council

Distr.
GENERAL

A/45/274/Corr.1
E/1990/73/Corr.1
14 June 1990

ARABIC, ENGLISH, FRENCH, RUSSIAN AND SPANISH ONLY

GENERAL ASSEMBLY
Forty-fifth session
Item 82 (f) of the preliminary list*
DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES

ECONOMIC AND SOCIAL COUNCIL
Second regular session of 1990
DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: DEVELOPMENT OF THE ENERGY RESOURCES OF DEVELOPING COUNTRIES

Energy exploration and development trends in developing countries

Report of the Secretary-General

Corrigendum

1. Page 4, paragraph 2, last sentence

The sentence should read

In many countries in Africa and Latin America per capita energy consumption is actually declining.

2. Page 6, table 1

Replace the table by the attached.

3. Page 7, table 2

Replace the table by the attached.

---

* A/45/50.

4. Page 21, paragraph 69, second sentence

The sentence should read

Recent examples of B.O.T. (built-operate-transfer) schemes, by which exporters of coal and electric power plant contractors from developed countries supply the necessary finance in exchange for operating the plan until investments are recovered and then transferred to the host country, require further consideration.

Table 1. Consumption of commercial primary energy a/

(Million tons of oil equivalent)

		1970	1980	1985	1986	1987	1988
Developed market economies	Oil	1 432.0	1 665.3	1 493.0	1 524.8	1 535.6	1 596.1
	Gas	659.6	765.2	741.8	711.4	740.0	748.9
	Coal	718.4	784.2	880.8	856.8	888.1	915.4
	Electricity	77.9	142.1	200.7	209.6	217.6	228.0
	Total	2 887.9	3 356.8	3 316.3	3 302.6	3 381.3	3 488.4
Eastern Europe and the USSR	Oil	271.1	465.7	437.0	447.3	457.9	466.4
	Gas	192.2	385.6	548.3	575.8	618.2	616.9
	Coal	518.1	589.2	600.3	615.5	619.1	663.9
	Electricity	12.1	25.0	38.2	38.1	41.7	45.4
	Total	993.5	1 465.5	1 623.8	1 676.7	1 736.9	1 792.6
All developing countries	Oil	267.1	554.5	611.5	629.9	646.5	683.2
	Gas	49.6	131.9	182.0	201.9	227.4	245.0
	Coal	270.5	463.2	644.7	680.2	710.6	729.8
	Electricity	16.8	42.4	60.5	63.4	66.5	69.6
	Total	604.0	1 192.0	1 498.7	1 575.4	1 651.0	1 727.6
Member countries of OPEC	Oil	37.6	110.6	150.0	148.3	146.3	152.4
	Gas	24.2	57.6	81.4	98.0	105.4	117.4
	Coal	1.0	1.6	2.6	3.4	4.1	3.7
	Electricity	0.8	2.4	3.6	3.8	4.0	4.1
	Total	63.6	172.2	237.6	253.5	259.8	277.6
Other oil-exporting countries	Oil	70.0	163.6	192.1	198.6	208.8	215.6
	Gas	16.8	50.0	59.6	58.8	63.2	64.9
	Coal	179.8	310.3	427.7	449.2	468.0	476.6
	Electricity	4.9	10.3	15.2	15.2	15.6	16.7
	Total	271.5	534.2	694.6	721.8	755.6	773.8
Oil-importing countries	Oil	159.5	280.3	269.4	283.0	291.4	315.2
	Gas	8.6	24.3	41.0	45.1	58.8	62.7
	Coal	89.7	151.3	214.4	227.6	238.5	249.5
	Electricity	11.1	29.7	41.7	44.4	46.9	48.8
	Total	268.9	485.6	566.5	600.1	635.6	676.2
Total world	Oil	1 970.2	2 685.5	2 541.5	2 602.0	2 640.0	2 745.7
	Gas	901.4	1 282.7	1 472.1	1 489.1	1 585.6	1 610.8
	Coal	1 507.0	1 836.6	2 125.8	2 152.5	2 217.8	2 309.1
	Electricity	106.8	209.5	299.4	311.1	325.8	343.0
	Total	4 485.4	6 014.3	6 438.8	6 554.7	6 769.2	7 008.6

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues.

a/ Data on oil consumption refer to "apparent consumption", which is an indication of actual gross inland availability. They do not include air and sea bunkers or non-energy products from refineries.

Table 3. Composition of commercial primary energy consumption by source

(Percentage)

		1970	1980	1985	1986	1987	1988
Developed market economies	Oil	49.6	49.6	45.0	46.2	45.4	45.8
	Gas	22.8	22.8	22.4	21.5	21.9	21.5
	Coal	24.9	23.4	26.6	25.9	26.3	26.2
	Electricity	2.7	4.2	6.1	6.3	6.4	6.5
Eastern Europe and the USSR	Oil	27.3	31.8	26.9	26.7	26.4	26.0
	Gas	19.3	26.3	33.8	34.3	35.6	34.4
	Coal	52.1	40.2	37.0	36.7	35.6	37.0
	Electricity	1.2	1.7	2.4	2.3	2.4	2.5
All developing countries	Oil	44.2	46.5	40.8	40.0	39.2	39.5
	Gas	8.2	11.1	12.1	12.8	13.8	14.2
	Coal	44.8	38.9	43.0	43.2	43.0	42.2
	Electricity	2.8	3.6	4.0	4.0	4.0	4.0
Member countries of OPEC	Oil	59.1	64.2	63.1	58.5	56.3	54.9
	Gas	38.1	33.4	34.3	38.7	40.6	42.3
	Coal	1.6	0.9	1.1	1.3	1.6	1.3
	Electricity	1.3	1.4	1.5	1.5	1.5	1.5
Other oil-exporting countries	Oil	25.8	30.6	27.7	27.5	27.6	27.9
	Gas	6.2	9.4	8.6	8.1	8.4	8.4
	Coal	66.2	58.1	61.6	62.2	61.9	61.6
	Electricity	1.8	1.9	2.2	2.1	2.1	2.2
Oil-importing countries	Oil	59.3	57.7	47.6	47.2	45.8	46.6
	Gas	3.2	5.0	7.2	7.5	9.3	9.3
	Coal	33.4	31.2	37.8	37.9	37.5	36.9
	Electricity	4.1	6.1	7.4	7.4	7.4	7.2
Total world	Oil	43.9	44.7	39.5	39.7	39.0	39.2
	Gas	20.1	21.3	22.9	22.7	23.4	23.0
	Coal	33.6	30.5	33.0	32.8	32.8	32.9
	Electricity	2.4	3.5	4.6	4.7	4.8	4.9

Source: Department of International Economic and Social Affairs of the United Nations Secretariat, based on the Energy Statistics Yearbook, various issues.

UNITED NATIONS

A E

General Assembly

Economic and Social Council

Distr.
GENERAL

A/45/275
E/1990/74
15 May 1990

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Item 103 of the preliminary list*
CRIME PREVENTION AND CRIMINAL JUSTICE

ECONOMIC AND SOCIAL COUNCIL
First regular session of 1990
Agenda item 5
SOCIAL DEVELOPMENT

Letter dated 11 May 1990 from the Chargé d'affaires a.i. of the Permanent Mission of Albania to the United Nations addressed to the Secretary-General

I have the honour to transmit to you excerpts from the report by Manush Myftiu, Vice-Chairman of the Council of Ministers, on behalf of the Council of Ministers, to the seventh session of the eleventh legislature of the People's Assembly (see annex).

I should be grateful if you would have the text of the present letter and its annex circulated as a document of the General Assembly, under item 103 of the preliminary list, and of the first regular session of 1990 of the Economic and Social Council, under agenda item 5.

(Signed) Genc MLLOIA
Counsellor,
Chargé d'affaires a.i.

---

* A/45/50.

ANNEX

Excerpts from the report by the Vice-Chairman of the Council of Ministers of Albania to the seventh session of the eleventh legislature of the People's Assembly on the improvement and democratization of penal legislation as well as on some organizational measures

Relying on its many years of experience in the struggle to protect the socialist social order and the rights and freedoms of citizens, the Council of Ministers has worked out a draft law entitled "On some changes to the penal code", which deals with the following problems:

- The establishment of rehabilitation as an institution or abolition of penal sanctions.

It is in the interest of our society that those persons who in the past have been sentenced for penal offences be re-educated and become worthy citizens. Rehabilitation corresponds to our lofty human principle that people can be corrected. After all, the penal sanction itself aims at educating the offender. This is also the aim of the educational work of society with convicts.

The practice of our country shows that the educational role of society has been very effective and most of those who have undergone punishment have been recuperated and now work and behave well in society. In this way, social rehabilitation has been translated into practice. Nevertheless, the penal code in force does not foresee the legal rehabilitation of those who have committed penal offences.

In order to combine social rehabilitation with legal rehabilitation, it is foreseen that the penal code should include rehabilitation by law and by the courts. Rehabilitation by law means avoiding punishment by the law itself, automatically, when, after undergoing punishment on parole or deprivation of freedom for up to five years, according to the respective length of the period of detention, the convict has not committed any other penal offence. Rehabilitation by the courts means avoiding punishment by trial, at the request of the State organ and mass organizations. This system is applied to persons sentenced to deprivation of freedom for more than five years, depending on the time that should have elapsed after undergoing punishment, on the condition that during this time these persons have committed no other penal offence and through their behaviour show that they abide by the rules and laws of society. The establishment of rehabilitation as an institution in the penal code, dictated by the democratic and human content of our socialist order, is an important measure to improve and further democratize our legislation, according to which the rehabilitated, either legally or de facto, will fully enjoy, just as do other citizens, the rights granted by the Constitution and laws in force.

With regard to rehabilitation, the draft law envisages also the institution of the proscription of the prosecution and the execution of sentences, that is, the

abolition or suspension of the prosecution for a penal offence, or the execution of the sentence when the legal terms are overpassed, not only for penal offences, as is the case at present, but for criminal offences as well. With the establishment of proscription it is accepted that the person who has committed a penal offence no longer presents any threat to society and there is no need to prosecute or sentence him. This is a logical and human solution.

The proscription envisages terms from 5-20 years according to the level of social threat the penal offence represents. These terms double should the author of the penal offence have attempted to avoid prosecution, but in no case should they be over 25 years. For crimes against the State, which presuppose the death penalty, there will be no proscription either of the prosecution or the execution of the sentence.

- Another aspect of the further improvement of our penal legislation is the establishment of the institution of pre-term release on parole.

Pre-term release on parole is granted when the convict is corrected and educated and this is reflected in his behaviour and work while under detention. The convict should have completed no less than half of the sentence so as to be granted pre-term release on parole.

Pre-term release on parole is envisaged by the penal code because organized educational work is done with the convicts in the detention institutions so as to make them worthy members of society again. This system creates new possibilities for the further democratization of penal policy and the implementation of the mass line, because the social organizations, along with the State organs, have the right to propose this measure in favour of the convict.

- Limitation of the number of cases to which the death penalty may apply.

At present, the penal code envisages 34 cases for application of the death penalty. As a rule, it is applied exclusively to crimes posing a major threat to society.

Although the death penalty is formally envisaged in the penal code, for many crimes it has not been applied for many years. Besides this, in 11 articles, the death penalty is envisaged for crimes committed in time of war or during a state of emergency, thus artificially extending the penal code, which is applied in normal conditions of the country's life.

Therefore, the death penalty, as an extraordinary measure, is limited to only very serious crimes, such as betrayal of the homeland and espionage, terroristic and sabotage activities, embezzlement of socialist property in special conditions, plundering of socialist and individual property, and premeditated murder. Therefore, this kind of punishment is limited to 11 cases.

Of special importance is the proposal that the death penalty should be lifted not only in the case of pregnant women, as in the past, but also for women in

general, which is another manifestation of the socialist humanism characterizing our State order.

The amendment of the provisions on crimes against the State occupies a special place in the proposed draft law. These crimes pose a serious threat to society. Here are included also the penal offences of defection and agitation and propaganda against the State. Since practice so far has proved that most of those involved in attempts at flight were immature and generally not prompted by political and counter-revolutionary motives, it has been envisaged that defection, which still remains an offence, should not be considered betrayal of the homeland, but illegal crossing of the border.

We inform the People's Assembly that the Council of Ministers has worked out a draft law that is complementary to the existing decree on passports, according to which, on request, any Albanian national will have the right to be given a passport for travel abroad.

As regards the creation of foreign or joint companies and other economic and financial institutions with foreign monopolies or States, as well as receiving credits from them, it is not indispensable that any prohibition envisaged by the penal code of the Constitution should be sanctioned in the penal code. In the future, too, we shall not accept credits or sign various economic agreements under political conditions infringing our national sovereignty. If an employee of a State organ carries out acts that run counter to the above norms, he will be responsible before the law for misuse of his position. Therefore, the abrogation of this form of betrayal from the penal code is completely justified.

Among the crimes against the State concerning which changes are proposed in the penal code is also the crime of agitation and propaganda. Today the penal code foresees the punishment of Fascist, anti-democratic, religious, warmongering and anti-socialist agitation and propaganda. The formulation of the crime of agitation and propaganda is very broad, leaving a loophole for various subjective interpretations, which in practice might bring about undesirable consequences, because even persons who are not such might be described and condemned as enemies. The Party and Government have always taken care to ensure that citizens are defended from the arbitrary interpretations and actions of any organ. Therefore, in the draft law, agitation and propaganda against the State is re-formulated and defined more clearly, considering as a crime only those acts of oral, written or other forms of agitation and propaganda aimed at overthrowing the social and State order established by the Constitution of the People's Socialist Republic of Albania, whereas Fascist and warmongering propaganda remain a crime against the State and are dealt with in a special paragraph.

With this formulation the new draft of the penal code on agitation and propaganda avoids the danger of subjectivism and interpretations that might lead to the violation of legislation and the democratic rights and liberties of citizens sanctioned by the Constitution, ensuring at the same time the defence of the State's interests.

Narrowing the definition of agitation and propaganda against the State as mentioned above, the punishment foreseen for religious propaganda, inter alia, is lifted. This is in conformity with practice because such acts have never been penally prosecuted until now. In our country the State is separated from religion and the question of religious belief is a matter of conscience for every individual. The removal from the penal code of sanctions for religious propaganda does not mean that we are giving up atheist propaganda in our all-round educational work with the masses of the people. We are unflinchingly convinced that this contributes to the consolidation of patriotism and national consciousness and that the interest of the nation and the homeland has been and is above any religious distinctions. Our great patriots of the Albanian Renaissance, with their unique historical saying regarding the relationship between religion and the homeland, namely, that "the faith of the Albanian is love for Albania", have left us a heritage of great permanent value for the present, too. Our Party and State will also continue to follow in the future our patriotic and revolutionary traditions, so that the question of the defence of freedom, independence, sovereignty and unity of the people should always be above any religious belief.

- Internment and deportation as administrative measures have been established in our country under certain historical circumstances, and at that time they helped to safeguard and strengthen the socialist social order. Under present circumstances, however, with the general development of our social and State order, with the changes aimed at strengthening the legislation and defending the interests of citizens, it is no longer justified to maintain and apply the decree on internment and internal exile as administrative measures. Another reason for lifting this decree is that, under it, unlike the remainder of our legislation, State coercive measures are not applied against an act against the law involving individual responsibility and personal guilt. Besides, this decree runs counter to the changes introduced to our legislation, including the extension of legal defence under investigation and during court proceedings.

The invalidation of this decree will not create any legal vacuum, because now internment and internal exile are foreseen as penal sanctions imposed by the court for certain penal offences. In addition, a draft law "on preventive measures against persons posing a threat to social security", which covers a number of the measures previously included in the law on internment and internal exile as administrative measures, will be forwarded to the People's Assembly for examination and approval.

Preventive measures are adopted against persons conducting activities that, although not constituting penal offences, run counter to public morality and social ethics, against persons with a criminal predisposition to commit penal offences, who live fully or in part on unlawful profits, prostitution, corruption of children or large-scale gambling, or who refuse to be employed in socially useful work, or take part in criminal groups or association.

These measures are liable to be taken towards persons over 18 years of age.

These preventive measures will be applied only by the courts, on the basis of a regular and speedy procedure, with the accused having the services of a barrister and the right of appeal.

- The ninth and tenth plenums of the Party Central Committee also adopted decisions on the improvement of the organs of justice and the guarantee of the legal defence of the citizens.

In order to strengthen socialist legality, assistance to and control of the courts of the zones and the districts, to ensure an improvement in the quality of their juridical activity and to carry out more qualified and systematic work for the continuous improvement of legislation, a draft law for the creation of a ministry of justice has been worked out. This will enable the Council of Ministers to better follow problems of justice and a series of other problems having to do with juridical matters in our country.

The draft law on the creation of the ministry of justice has been worked out in full compliance with the content of the norms of the Constitution, sanctioning the independence of the courts in judging cases. This ministry will take care of the organization and functioning of the courts and guide and control the activity of the administration of justice, without interfering in judicial proceedings. It is envisaged that the minister of justice, for the purpose of the consolidation of socialist legality and in the interest of citizens, should have the right, for the sake of defending legality, to object to individual decisions of the courts and forums of the districts and of the zones, which is a right that does not violate the principle of the independence of the courts.

Besides the above-mentioned duties, the ministry of justice will also be responsible for the organization and functioning of lawyers', executors' and notary offices, as well as the preparation of draft codes, draft laws and so on related to the organization and activity of the courts, offering at the same time its opinion on all the drafts of legal acts prepared by the ministries and other central institutions before they are submitted to the Council of Ministers for examination.

It will also be part of the mandate of the ministry of justice to co-ordinate the work for the training of lawyers of various bodies, to co-ordinate activities aimed at publicizing laws, running criminal and legal medicine services, and so on.

Up to now, according to the provisions in force, the protection of the legal interests of citizens, the State and social organizations is ensured by the legal aid offices, which have also ensured, in cases envisaged by the law, the defence of the defendant in court, but the re-establishment of advocacy is an important measure, which broadens the defence of citizens' rights and contributes to the strengthening of legality. Advocacy will not only render legal assistance to citizens, State organs and social organizations for the defence of their legitimate interests in court while under investigation and arbitration, but will also exert an influence in the application of justice. The measures envisaged in the draft law will contribute to the fuller and more effective implementation of article 102 of the Constitution, according to which the defendant enjoys the right to have a

lawyer, because citizens will now be guaranteed qualified assistance in both civil and penal cases, whenever they demand it. Moreover, this assistance assumes a more complete character, being extended for the first time to investigation, which marks a new phase in the democratization of the penal process in our country.

Besides the defence of the legitimate rights and interests of the defendant and of the parties to the investigative and legal process, lawyers will also ensure all kinds of legal assistance, such as the formulation of indictments, requests for penal prosecution claims against administrative organs and so on.

In carrying out these tasks it is envisaged that the legal profession should be organized in special orders as voluntary associations. The aim is to create suitable conditions for lawyers to fulfil their tasks properly, ensuring independence and objectivity in their activity.

- As regards simplifying the organs of justice, it is envisaged that the courts of villages, cities and city districts, which have until now examined penal offences and passed sentence on them, being thus of an official character, should be abrogated from the judicial system.

Their abrogation is also justified by the fact that judgement by these courts of penal, civil and administrative cases has been of little effect. According to the draft law, they are converted into organs of a social or unofficial character - social courts that will operate at the people's councils and will be elected by public ballot by the people every three years. They will be composed of social activists who enjoy authority and the confidence of the people. These social courts will co-operate closely with the social organizations and exercise a powerful influence on the strengthening of the unity of our people, solving through conciliation conflicts arising from complaints such as insults, beatings, and so on, without enforcing penal sanctions. As far as administrative violations are concerned, it is envisaged that they should be dealt with by special organs (the police, the inspectorate, etc.).

The amendments, envisaged in the draft laws on the creation of the ministry of justice, advocacy and social courts call for corresponding amendments and completions to the codes of penal and civil procedure, which are also forwarded to the Assembly for approval.

UNITED
NATIONS

A E

General Assembly

Economic and Social Council

Distr.
GENERAL

A/45/276
E/1990/88
16 May 1990

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Item 82 of the preliminary list*
DEVELOPMENT AND INTERNATIONAL
ECONOMIC CO-OPERATION

ECONOMIC AND SOCIAL COUNCIL
First regular session of 1990
Agenda item 5
SOCIAL DEVELOPMENT

Letter dated 15 May 1990 from the Chargé d'affaires a.i. of the Permanent Mission of Albania to the United Nations addressed to the Secretary-General

I have the honour to transmit to you excerpts from the report entitled "On the improvement of the economic mechanism" submitted on behalf of the Council of Ministers by Adil Carcani, Chairman of the Council of Ministers (see annex).

I should be grateful if you would have the text of the present letter and its annex circulated as a document of the General Assembly, under item 82 of the preliminary list, and of the Economic and Social Council, at its first regular session of 1990, under agenda item 5.

(Signed) Genc MLLOJA
Counsellor
Chargé d'affaires a.i.

* A/45/50.

ANNEX

Report of the Chairman of the Council of Ministers of Albania on the improvement of the economic mechanism

The draft laws forwarded to this session, for discussion and approval, determine the main directions and criteria, on the basis of which the relations among the enterprises, power organs in the district and the ministries and other central institutions will be organized and realized. In conformity with these criteria, the enterprise's rights in the field of planning, production and distribution, export-import, labour and salaries, and of using the financial and foreign currency funds created from it, will expand.

In the field of production, the enterprise will be provided, in a concentrated way, with the volume in the value of the industrial commodity product sold. The enterprises turning out important products for the economy, such as oil, chrome, copper, coal, electric energy, textile, sugar, flour and greases, will also be provided in a concentrated way with their quantity in kind.

The introduction of the index of sold industrial commodity products is of great importance and has a profound economic meaning. It responds better to the purpose of our socialist production, the fulfilment of the real needs of the economy and people, barring the road to globalism and the tendency "to produce for the sake of production", although the product remains in stock-rooms and is not available. This would make both the producer and the consumer more concerned with the final ready-made product. Hence, it will enlarge the responsibility of the producer to send the ready-made product to its destination as soon as possible and will also increase the pressure that both he and the purchaser exert on the transport to send it on time, in the quantity and quality set according to the contracts.

In the field of distribution, the obligation to the State will be imposed on the enterprises, which includes the quantity set for export and that to be sent to the other districts, whereas, for the distribution of the other part of the production, the enterprise will decide by itself, in co-operation with the executive committee of the people's council of the district where it operates.

The enterprise, as a rule, will have the right to define by itself the structure of production in kind up to 20 per cent of its productive capacities, which will not be included in the plan and which will be used by the enterprise to augment the fund of commodities for the home market, as well as for export. Hence, new possibilities are created so that, besides the enterprises charged with export, others also will be instigated to produce articles that are in demand by the foreign market.

The enterprise takes on itself the responsibility to procure the necessary raw materials and to ensure the distribution of its produce. In the same manner, when the production of the enterprise exceeds the plan, it may sell these products in small quantity directly in the market, through its own shops. But the enterprises that produce such mass consumer goods as articles made of metal, wood, ceramics and

terracata will themselves fix the whole plan of the structure of their production, according to the possibilities, and they will have to ensure raw materials.

In this way, those enterprises and others of the kind, as well as the agricultural co-operatives, will sell their products freely in the market at prices they themselves will set according to the supply and demand.

The enterprises in the sector of agriculture will be given, in a concentrated way, the value of the final total agricultural production, the quantity of the agricultural and livestock products in kind that they will deliver in a form of obligation for export, as well as in other districts. The agricultural co-operatives will be responsible before the State only for the plan of delivering agricultural and livestock products.

All the agricultural economies, in co-operation with the respective districts, will define themselves the fund of arable land, including the opening of virgin lands, the structure of sowings and yields, the variety and heads of livestock, the volume of production and the level of the fulfilment of their own needs.

Special elements of the independent account management will be extended and applied also in the internal units of the enterprise, such as in factories, workshops, construction sites and sectors, in the foreign trade enterprises and the sectors of art, culture and sports.

The enterprise will be entitled to make supplementary import orders in case it realizes or overfulfils the export plan. The amount of these profits in currency will be defined by the Council of Ministers, according to the peculiarities of the various branches and sectors of the economy. Having these supplementary currency incomes all the enterprises have the possibility, through the respective export-import organisms under the ministries that deal with production, to order supplementary machineries, equipment, special lines and raw materials to be used for the growth of the production of the export goods and the improvement of their quality. This will serve as a new stimulus for all the economic enterprises, agricultural co-operatives and other institutions so as to find out ways to produce goods that are in demand in the foreign market.

Selling and purchasing relations among the enterprises will be co-ordinated through contracts. In order to increase their role in working out and realizing the plan, they should have new elements of mutual obligation, consolidated also with economic sanctions, up to the liquidation of the damage created, as well as with strict measures in case the buyer does not pay in time the obligations, or when one of the parties violates the contract discipline. In this spirit, the Council of Ministers has studied also the further measures to be adopted to strengthen the role of State arbitration in solving the civil juridical disagreements created among the enterprises, institutions and agricultural co-operatives.

As for the labour indexes, the enterprises will have, in a concentrated way, only the fund of payments. They will decide by themselves the number of working people, the labour productivity and the average payment, etc.

42

Within the planned fund of payments, the enterprise will have the right to employ as many workers as it deems necessary to realize the plan of production. It will no longer be forced to employ workers above its real needs, but neither can it cut the existing number of the workers without guaranteeing them, in co-operation with the executive committee of the district people's council, workplaces in and outside the enterprise. The latter will also enjoy, as up to the present, the right to surpass the fund of payments when it overfulfils to the same extent the plan of production.

As for capital investments, the respective organs will approve only the objects that surpass the fixed value, whereas its competence for the investments under the set limit and above it will increase.

Important changes are made especially in the financial relations of the enterprise with the State budget. It will be charged, in a concentrated manner, with the obligations to the State budget or the centralized State net income, that part of the net income of the enterprise, that is of its profit, which is handed over in the budget, as well as the lowering of the cost. Most of the profit (90 per cent) belongs to the enterprise itself, just as it will utilize also the fund of amortization for the main means and other incomes it ensures, which at present are handed over completely in the State budget.

The self-financing of the enterprise demands also the change of the legislation in utilizing its profit. The draftlaw forwarded envisages that no less than 85 per cent be used for the extended reproduction of the enterprise, financing the fundamental investments and the constructions to augment production, improving technique and technology and increasing the norm for circulating means. In the State budget, 10 per cent will be deposited as a lever of control for the capital funds it is provided for utilization, the rest will be used for the creation of the funds of the material incentives of the working people, the improvement of their working and living conditions and the establishment of the quota for the State security of the property of the enterprise. The enterprise will have the right to accumulate in the bank from year to year its profit and other funds it has created and not yet used, in an accumulative way, and profiting also from the interest rate for the sum it has deposited in the bank.

When the financial means of the enterprise are insufficient to meet the needs of the extended production, they have the right to request and receive from the bank short or long-term credits, because for this enterprise there will be no more inconvertible budgetary financing, as had existed so far. In this way, self-financing of the extended production will increase further the relative independence and the activity of the enterprises themselves with independent account management. The improved mechanism of the management with its own account will also be practised in the enterprises, which are permitted to work, although experiencing losses. In these cases, the loss will be defrayed by the endowment budget for the unit of production in order to provide the enterprise with the necessary incomes for its reproduction.

Unplanned losses of the enterprises because of bad management, increases in cost, poor quality, unjustifiable changes of the structure of production, or the

non-fulfilment of the plan will not be compensated. They will be included in the economic-financial result of these enterprises in the year to come and, in order to compensate them, the Bank will grant credits at higher interest rates. When these losses, irrespective of the measures adopted by the enterprise, the district and the institution, the Bank and the Ministry of Finances, are repeated in the coming year also, sanctions will be applied for such enterprises, beginning with the dismissal of the leading administrative staff of the enterprise, the dissolution and transfer of the staff or even the suspension of its productive activity. In such a case, the State will undertake the employment of workers.

Our society and the working collectives themselves are not interested in the adoption of such extreme measures. Therefore, the enterprises of the State organs and those of the economy in the districts and in the centre and the working collectives should systematically follow-up the situation and the promotion of production and of its effectiveness, should make profound economic-financial analyses to find out the difficulties and problems arising, either of a subjective or objective nature, and to adopt the proper measures to avoid losses or their repetition.

The consolidation of the independence of the self-accountable enterprise accomplishes a more complete harmonization between the economic productive side and the financial one. At the present, the financial side assumes a specific importance for the activity of the enterprise, and becomes more interested as its responsibility is increasing concerning the fulfilment of the plan and the sale of products, the effectiveness of investments and the introduction of the new technology, the change of the structure of production and the improvement of its quality, etc.

The improved mechanism of the independent account management of the enterprise will further enhance the role of the Bank and will expand the sphere of its activity. All this will be manifested especially in the consolidation of the function played by credit, as an economic lever in the extended reproduction of the enterprise, in order to replace the current irreversible budget financing.

UNITED NATIONS

A E

General Assembly

Economic and Social Council

Distr.
GENERAL

A/45/277
E/1990/77
17 May 1990

ORIGINAL: ENGLISH

GENERAL ASSEMBLY
Forty-fifth session
Item 12 of the preliminary list*
REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

ECONOMIC AND SOCIAL COUNCIL
Second regular session of 1990
CO-ORDINATION QUESTIONS

Mid-term review of the World Decade for Cultural Development (1988-1997)

Report of the Secretary-General

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1 - 3	2
II.	SUMMARY OF REPLIES RECEIVED FROM GOVERNMENTS AND ORGANIZATIONS AND AGENCIES OF THE UNITED NATIONS SYSTEM	4 - 40	2
	A. Governments	4 - 28	2
	B. Organizations and agencies of the United Nations system	29 - 40	6
III.	CONCLUSIONS	41 - 49	8

* A/45/50.

I. INTRODUCTION

1. In its resolution 41/187 of 8 December 1986, the General Assembly proclaimed the period 1988-1997 the World Decade for Cultural Development, to be observed under the auspices of the United Nations and the United Nations Educational, Scientific and Cultural Organization (UNESCO). The Assembly requested the Secretary-General of the United Nations and the Director-General of UNESCO to report biennially to the Assembly, through the Economic and Social Council, on the progress in the implementation of the goals and objectives set out for the Decade.

2. At its forty-fourth session, the General Assembly, having considered the progress report of the Secretary-General of the United Nations and of the Director-General of UNESCO (A/44/284 E/1989/109), in its resolution 44/238 of 22 December 1989 expressed its support for the recommendation contained in paragraph 92 of the report, which read:

> "With a view to carrying out a mid-Decade evaluation and giving the Decade fresh impetus, the international community might wish to consider organizing a global review during the course of the Decade under the auspices of the United Nations and UNESCO".

In the same resolution, the Assembly requested the Secretary-General, with the assistance of the Director-General of UNESCO, to obtain the views of Governments, organs and organizations of the United Nations system, and intergovernmental and non-governmental organizations on the objectives and scope of the global mid-Decade review in 1993, as recommended in paragraph 92 of the report, and to submit those views to the General Assembly at its forty-fifth session, through the Economic and Social Council.

3. Information received from other Governments and organizations of the United Nations system at a later date will be issued as an addendum to the present report.

II. SUMMARY OF REPLIES RECEIVED FROM GOVERNMENTS AND ORGANIZATIONS AND AGENCIES OF THE UNITED NATIONS SYSTEM

A. Governments

4. The Government of China stated in its reply that the four objectives of the Decade as defined in the Plan of Action summarized comprehensively the main task of the Decade and constituted general guidelines for the activities of Member States in the area at the national level. Those objectives were also important criteria for evaluating the success or failure of the Decade.

5. In the view of the Government of China, the five modalities for action contained in the Plan of Action would facilitate the co-ordination of activities of the Decade at the global level.

6. It was emphasized in the reply of China that the activities of the Decade should be developed in various ways and should take into account regional and national characteristics and cultural identities. In that regard the Government of China felt that the programme for the activities of the Decade in the Asia and the Pacific region had not been fully addressed. That region of the world was heir to an ancient civilization. It was made up mainly of developing countries with their own problems of economic and cultural development, and due consideration should therefore be given to the region in formulating programmes and guidelines for the Decade or in implementing them.

7. In its reply, the Government of the Federal Republic of Germany supported the idea of carrying out a mid-term review of the Decade, which in its view should concentrate on the effort to identify difficulties in the implementation and possible ways to overcome those difficulties, rather than on a stock-taking of individual projects and contributions made so far by Member States.

8. The most appropriate forum for a mid-Decade review, in the view of the Federal Republic of Germany, could be an international meeting of experts, as suggested in paragraph 147 of the Plan of Action.

9. Taking into account rapid changes in international relations and in global political life, the Member States might need to redefine more thoroughly some of the Decade's goals. In that case Governments would have to be involved in the mid-term review process, and the Government of the Federal Republic of Germany suggested that that procedure take place in the form of written consultations among countries.

10. As far as the proposal contained in UNESCO document CC-90/CONF.203/9 of 23 February 1990 is concerned, namely, that the review could also take the form of "an intergovernmental meeting preceded by regional consultations and a preparatory conference", the Government of the Federal Republic of Germany considered that that type of review would not only be out of line with the general policy of the United Nations system of trying to reduce the number of conferences and meetings, but would also absorb the scarce resources available in Member States as well as in United Nations bodies for the purposes of the Decade. At the same time it would jeopardize the reasonable balance between substantive activities within the Decade and procedures administering those activities.

11. The Government of the German Democratic Republic welcomed the idea of undertaking a mid-term review of the implementation of the goals and objectives of the Decade. Such an event, in the view of the German Democratic Republic, could take stock of the activities organized during the first half of the Decade and give fresh impulses towards the fulfilment of the objectives of the Decade in the remaining period.

12. The German Democratic Republic suggested that the mid-term review could be undertaken at a conference of experts to be sponsored jointly by the United Nations and UNESCO.

13. The Government of the German Democratic Republic did not exclude the possibility of holding a global cultural conference, but such a conference, at the level of ministers of culture or other government representatives, should be convened, in its view, at the end of the World Decade for Cultural Development and could be preceded or followed by regional conferences.

14. In its reply, the Government of Malta supported the recommendation contained in paragraph 92 of the report on the Decade concerning a global mid-Decade review; nevertheless, it recommended stronger regional co-operation in the implementation of the goals and objectives of the Cultural Development Decade.

15. In its turn, Malta provided information about the activities of the national committee and the two sub-committees aimed at the development of wide regional co-operation in the field of culture. In particular, one of the sub-committees was preparing a festival of the settecento and the second was responsible for organizing a Mediterranean ethnographic film and video week. Major attention in the country's activities within the Decade was being paid to promoting women's participation in those activities.

16. The Government of Mongolia stated in its reply that it fully endorsed the recommendation for organizing a global review of the status of the Decade with a view to carrying out a mid-Decade evaluation and giving the Decade a fresh impetus. The Government of Mongolia considered that the scope of the review should be so broad as to involve all nations.

17. In its reply, the Government of the Netherlands stated that the Intergovernmental Committee on the World Decade for Cultural Development, established within UNESCO, should play a central and co-ordinating role in the preparation of the review and, in co-operation with some other United Nations bodies, should undertake to formulate the terms of reference for such a review.

18. In the view of the Netherlands, the mid-term review should include an examination of organizational and administrative matters concerning the Decade, as well as an evaluation of project implementation, assessment of financial needs and available means.

19. The mid-Decade review might also serve to re-examine and eventually to adapt the goals that were set at the beginning of the Decade. The role of the Decade in the light of the fourth United Nations development decade, notably its contribution to the cultural dimension of development, should also be assessed in the process of a global review.

20. The Government of the Netherlands suggested that the following topics closely related to the cultural dimensions of development should be addressed during a global mid-Decade review:

(a) The protection of the natural and cultural heritage against the effects of demographic and economic growth;

(b) The development of traditional human and cultural capital, in particular, traditional skills and crafts;

(c) The improvement of access to information on social and cultural aspects of the development process, in order to facilitate an open discussion based on solid criteria, and so on.

21. The Government of the Netherlands believed that, depending on the outcome of the mid-term review in 1993, it might be appropriate to design a strategy for the second half of the Decade.

22. The Government of Norway stated in its reply that the national committee for the Decade would host a meeting of representatives of the decade committees of some European countries, probably in December 1990. Norway therefore wished to defer its contribution to a global mid-Decade review until after such a meeting had been held.

23. In its reply, the Government of the Syrian Arab Republic supported in principle the idea of conducting an evaluation and a global review at the mid-point of the Decade. At the same time, it considered that the question required much in-depth study in order to determine the criteria for such an evaluation. In particular with regard to the first objective - the acknowledgement of the cultural dimension of development - it would be necessary to define the extent of evolution in the convictions of decision-makers in the fields of economic and social development with regard to cultural dimensions in order to establish the links between the Cultural Decade and the fourth United Nations development decade.

24. As far as the second objective of the Decade was concerned, namely, the affirmation and enrichment of cultural identities, in the view of the Syrian Arab Republic, taking into account the cultural characteristics common to certain States in the same region or the number of ethnic groups within a single country, regional consultations would be required.

25. The Government of the Syrian Arab Republic suggested that the basic objectives of a mid-Decade evaluation could be:

(a) To focus on a perspective for the future and to define what additional steps must be taken to provide stimulus for the Decade, in order for its activities to be continued and extended beyond the end of the Decade;

(b) To evaluate the achievements under the major projects, such as the silk routes, the revival of the library of Alexandria, the observance of the five-hundredth anniversary of the encounter between the two worlds, the Seville Exhibition, and so on;

(c) To evaluate the degree of participation of UNESCO, United Nations organizations, intergovernmental and non-governmental organizations in supporting the activities of States, particularly developing and least developed countries, within the Decade.

26. The Government of the Syrian Arab Republic pointed out in its reply that the above views were submitted on the understanding that a mid-point evaluation of the implementation of the goals and objectives of the Decade could be carried out in the form of an international conference during the Decade under the auspices of the United Nations and UNESCO.

27. The Government of Turkey stressed in its reply the lack of substantial results in the implementation of the objectives during the first two years of the Decade. Among major obstacles, it pointed to the lack of financial resources and recommended that all the international organizations make their contribution to the case.

28. Having expressed its support for the idea of a mid-Decade review at a global level, the Government of Turkey suggested that such a review, besides identifying bottle-necks, shortcomings and other problems, should also help to identify viable projects to be executed within the Decade.

B. Organizations and agencies of the United Nations system

29. The United Nations Educational, Scientific and Cultural Organization expressed support for the idea of convening an international intergovernmental meeting in 1993, with the purpose of reviewing and evaluating the implementation of the Decade's objectives. In that regard it referred to UNESCO General Conference resolution 3.4, adopted at its twenty-fifth session, which invited the Director-General "to take the necessary steps, in co-operation with the Secretary-General of the United Nations, to define the modalities for a mid-Decade evaluation, in the form of a global review to take place in 1993".

30. The Intergovernmental Committee established within UNESCO for the co-ordination of activities at the national, regional and global levels for the Decade, in the view of UNESCO, could serve as the preparatory body for a global intergovernmental meeting in 1993. At its second regular session, in February 1990, the Committee discussed the matter and decided to reconsider it at its special session, scheduled for September 1990, taking into account the results of the consultations of the Secretary-General of the United Nations with Governments and international organizations.

31. UNESCO believed that an intergovernmental meeting could be accompanied by a forum of non-governmental organizations. It might also be preceded by regional consultations. UNESCO, as the lead agency for the Decade, would be ready to co-ordinate the preparation of working documents for a global intergovernmental meeting, as well as for regional meetings.

32. The International Labour Organisation (ILO) stated in its reply that while ILO activities falling within the framework of the Decade could be identified, their actual impact on cultural development would be extremely difficult to evaluate. In the view of ILO, a meaningful evaluation of the Decade would have to be closely linked to its objectives, which, however, were outlined in such broad terms that it was difficult to translate them into clearly defined operational categories.

33. In this connection, ILO suggested that UNESCO be invited to prepare a paper indicating the possible scope, objectives and methods of a global review, which could be submitted to various bodies and agencies of the United Nations system for their comments.

34. In its reply, the Office of the United Nations High Commissioner for Refugees (UNHCR) welcomed the proposal to conduct a global mid-Decade review and suggested that the scope of such an exercise include, inter alia, some objectives relating specifically to the work of the agencies involved in relief aid and development assistance activities.

35. Among those objectives, UNHCR mentioned, in particular, the inventory of measures taken by the agencies to incorporate socio-cultural analyses and assessments as institutionalized features of their programme cycles; the assessment of the efficacy and the impact of the foregoing measures in terms of tangible improvements in needs assessment and in the identification, design, execution and outputs of projects; and the inventory of measures planned or proposed by those agencies in order to strengthen further their institutional capacity to identify, analyse and assess the socio-cultural factors within the framework of their respective programme cycles and mandated activities.

36. UNHCR was prepared to assist in planning that aspect of a global mid-term review of the Decade.

37. The reply of the World Bank contained the proposal that the scope of a global mid-Decade review include, as a priority, the safeguard of cultural property and heritage under World Bank-financed projects. For the projects with significant cultural property issues, the World Bank required the cultural property assessment to be carried out by national Governments.

38. The United Nations Environment Programme (UNEP) suggested in its reply that a mid-Decade evaluation include the actions that had already been taken to limit or minimize the impacts of anthropogenic pollution on a number of historical and cultural monuments and structures, as well as on some national forests that were of great social and cultural significance.

39. From the standpoint of the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW), the scope of a global mid-Decade review should include the following issues:

(a) Women's contribution to development, particularly in the household and informal sectors of the economy, taking account of cultural aspects;

(b) Women, environment and sustainable development;

(c) The problem of choice of technology with particular attention to the cultural context of both most advanced technology and technology suitable for rural and urban areas, with the purpose of alleviating the burden of women's work, thereby strengthening the cultural dimension of development and reaffirming cultural identities.

40. In its reply, the Department of Political and Security Council Affairs suggested that in identifying the forms of evaluation and review of the Decade, consideration should be given to initially organizing a series of regional seminars under the auspices of the United Nations and UNESCO during the course of the Decade. In the view of the Department, an international conference with participation of prominent figures in the field of culture from all over the world could also contribute to the success of the Decade.

III. CONCLUSIONS

41. Pursuant to General Assembly resolution 44/238, the Secretary-General of the United Nations sent communications to the Governments of all the Member States, to 39 organizations, agencies, funds and programmes of the United Nations system and to 7 departments of the United Nations Secretariat with the request that they give their views concerning a global mid-term review of the World Decade for Cultural Development in 1993 and the possible form of such a review and its scope and objectives.

42. Replies have been received from only 10 Governments, 12 organizations and agencies, and 1 Department. Moreover, out of those 23 replies, only 15 contained the information requested by the Secretary-General. These circumstances made it difficult to arrive at definitive conclusions that would represent the more or less complete view of the world community on the subject.

43. Nevertheless, the analysis of the replies available gives tentative indications of the views of Governments and the organizations of the United Nations system.

44. In their replies almost all the Governments and organizations supported in principle the idea of conducting a mid-Decade review and evaluation of the status of implementation of the goals and objectives of the Decade. Three countries and two organizations supported the convening for that purpose in 1993 of an international conference with the participation of ministers of culture, prominent figures in the field of culture or experts in the area. There was a suggestion that the Intergovernmental Committee for the Decade, established within UNESCO, serve as the preparatory body for such a conference.

45. Five replies contained proposals to carry out a mid-Decade evaluation in the form of seminars, meetings of experts, consultations and other forums at the regional level under the auspices of the United Nations and UNESCO. Some Governments and organizations believed that such regional forums could precede or follow an international event and thus contribute to the global review of the Decade.

46. Some Governments mentioned the slow start of the Decade, referring to the very broad spectrum of objectives included in the Plan of Action, as well as to the lack of appropriate financial resources. Bearing that in mind they suggested that a mid-Decade review should concentrate on reconsidering some of the objectives and setting out concrete tasks for the second half of the Decade.

47. Much attention was paid in the replies to the first objective of the Decade, namely, the acknowledgement of cultural dimensions of development, and thus to the link of the Cultural Development Decade with the fourth United Nations development decade, the goals and objectives of which should include cultural aspects of development.

48. Among the objectives to be concentrated upon during a mid-Decade review, the Governments mentioned in the first place such problems as cultural aspects of the socio-economic development of developing countries, especially of least developed States, questions of cultural identity, cultural property and heritage, problems of many ethnic groups within a single State, and so on.

49. The organizations of the United Nations system suggested the inclusion in the mid-Decade review of objectives and issues that are of concern to them in the context of their activities in their respective fields of competence.

UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/45/278
24 May 1990

ORIGINAL: ENGLISH

Forty-fifth session
Item 12 of the preliminary list*

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

United Nations Population Award

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the report of the Executive Director of the United Nations Population Fund on the United Nations Population Award, established by the Assembly in its resolution 36/201 of 17 December 1981. The report, which covers the 1989-1990 period, was prepared in accordance with Economic and Social Council decision 1982/112 of 26 April 1982.

---

* A/45/50.

ANNEX

Report of the United Nations Population Award (1989-1990)

I. INTRODUCTION

1. On 17 December 1981, the General Assembly adopted resolution 36/201 entitled "Establishment of the United Nations Population Award". The Award is presented annually to an individual or individuals, to an institution or institutions, or to any combination thereof, for the most outstanding contribution to the awareness of population questions or to their solutions.

2. The laureate is selected by the Committee of the United Nations Population Award. The Committee is composed of representatives of 10 States Members of the United Nations, elected by the Economic and Social Council for a period of three years.

3. During 1988, the Economic and Social Council selected the following countries to serve on the Committee for a period of three years beginning in January 1989: Byelorussian Soviet Socialist Republic, Ecuador, India, Japan, Mauritius, Mexico, Pakistan, Rwanda, Togo and Turkey. The Secretary-General and the Executive Director of the United Nations Population Fund (UNFPA) serve as ex officio members. The Executive Director of UNFPA acts as the Secretary of the Committee. The Award consists of a diploma, a gold medal and a monetary prize.

4. On 5 December 1986, the General Assembly, by its decision 41/445, amended article 2, paragraph 1, of the annex to its resolution 36/201 so that an individual and an institution may share the Award.

5. On 26 May 1987, in its decision 1987/129 the Economic and Social Council amended the rules of procedure of the Committee for the United Nations Population Award accordingly.

6. In January 1989, the Committe elected His Excellency Mr. Mario Moya-Palencia (Mexico) as Chairman. He was succeeded, on 24 January 1990, by His Excellency Dr. Jorge Montaño (Mexico).

7. During 1989, the following five eminent individuals were selected by the Committee to serve as honorary members in an advisory capacity to the Committee: Mr. Jean Ripert, former Director-General for Development and International Economic Co-operation; Mr. Takeo Fukuda, former Prime Minister of Japan; Mr. Enrique Iglesias, President of the Inter-American Development Bank; Mr. Bradford Morse, former Administrator, United Nations Development Programme; and Gen. Olusegun Obsanjo, former President of Nigeria.

II. ThE 1989 AWARD

8. A total of 23 nominations were received for the 1989 Award from qualified nominators. After a thorough review of the nominations and taking into account the

views offered by the honorary members, the Committee for the United Nations Population Award selected President Soeharto of Indonesia and the Programme national de bien-être familial of Togo as the 1989 laureates.

9. President Soeharto of Indonesia was chosen for the Award because of his strong support over the past 20 years for the national family-planning programme of Indonesia. The large number of studies on Indonesia and cross-national comparative studies provide ample evidence of his commitment and leadership, which have had a direct impact on raising awareness and in finding solutions to the problems of rapid population growth. During the period of President Soeharto's leadership, birth, fertility and infant mortality rates have declined dramatically and the contraceptive use rate has increased to almost 50 per cent of all eligible couples.

10. The Programme national de bien-être familial (National Family Welfare Programme) was chosen because of its accomplishments in effectively promoting family welfare in Togo. The Programme's major orientation is family health, working in combination with the Government, which provides family-planning services. As a result of the Programme's activities, infant-mortality and child-mortality rates have fallen considerably over the past two decades.

11. In accordance with the decision of the Committee, the United Nations Population Award was presented to the laureates by the Secretary-General at a ceremony held at Headquarters on 8 June 1989. Statements were made by President Soeharto, the Secretary-General, the Executive Director of UNFPA, Mr. Aissah Agbetra, Minister of Health of Togo, and the Chairman of the Committee.

III. THE 1990 AWARD

12. A total of 13 nominations were received for the 1990 Award from qualified nominators. After a thorough review of the nominations and taking into account the views offered by the honorary members, the Population Award Committee selected Dr. Alfred Sauvy of France and the Mauritius National Family Health and Population Council as the 1990 laureates.

13. Alfred Sauvy, a Professor at the Collège de France since 1959 and former Director of l'Institut national d'études démographiques, was chosen by the Committee because of his significant contributions to the field of demography. Professor Sauvy is known, internationally, for his analysis of the relationships between population and economic factors. His work in the field of migration and population movements has been instrumental in providing alternative approaches to resettlement programmes that attempt to solve problems of inequitable population distribution. Professor Sauvy served as the French representative to the United Nations Population Commission from 1947 to 1983. During his professional career, spanning 70 years, he has been the author of more than 40 books, and a bibliography of his scientific articles comprises more than 30 pages.

14. The Mauritius National Family Health and Population Council was chosen for the successful efforts of its family-planning programme. Since 1972, the work of the Council has led to a decline in the crude-birth rate from well over 35 per thousand in 1965 to the current 20 per thousand. The total fertility rate in Mauritius fell

from more than five children per woman to less than two today, with more than 75 per cent of eligible couples using some form of modern contraception. Overall mortality and infant mortality has also decreased rapidly as a result of the public health programme of the National Family Health and Population Council. Mauritius was cited by the Committee as an example of a successful government programme to reduce fertility by making family-planning services available to all people. The Committee felt that it was especially remarkable that the Government was able to generate consensus and support for family planning, given Mauritius' multi-ethnic population.

IV. FINANCIAL MATTERS

15. As at 1 January 1988, the Trust Fund for the United Nations Population Award had a total of $456,139. Income from interest for 1988 amounted to $33,853. Expenditures in 1989, including printing costs and the prizes, totalled $37,490. The closing balance as at 31 December 1988 totalled $602,502.

16. Income from interest for 1989 amounted to $53,669. Expenditures in 1989, including printing costs and the prizes, totalled $48,729. The closing balance as at 31 December 1989 totalled $619,515.

UNITED
NATIONS

A

General Assembly

Distr.
GENERAL

A/45/278/Corr.1
7 June 1990

ARABIC, CHINESE, ENGLISH,
RUSSIAN AND SPANISH ONLY

Forty-fifth session
Item 12 of the preliminary list*

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

United Nations Population Award

Note by the Secretary-General

Corrigendum

Page 4, paragraphs 15 and 16

The paragraphs should read

15. As at 1 January 1988, the Trust Fund for the United Nations Population Award had a total of $456,139. The income from interest for 1988 amounted to $33,426. Expenditures in 1989, including printing costs and the prizes, totalled $37,490. The closing balance as at 31 December 1988, after a contribution of $150,000 from the Government of Japan, totalled $602,502.

16. Income from interest for 1989 amounted to $53,669. Expenditures in 1989, including printing costs and the prizes, totalled $48,729. The closing balance as at 31 December 1989, after President Soeharto donated his prize, totalled $619,516.

---

* A/45/50.

90-14437 1680h (E)